

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF ELZIE)	CASE NO. 8546-D
NEELEY GAS COMPANY, INC.)	

O R D E R

On November 23, 1982, the Commission issued its Order in Case No. 8546 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased.

On April 14, 1983, Elzie Neeley Gas Company, Inc., ("Elzie Neeley") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas of Kentucky, Inc., ("Columbia") and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) Elzie Neeley's notice of April 14, 1983, set out certain revisions in rates which Elzie Neeley proposed to place into effect, said rates being designed to pass on two wholesale decreases in price from its supplier in the combined amount of \$4,101 or 25.6 cents per Mcf.

(2) Elzie Neeley's wholesale cost of gas was decreased by Columbia effective March 1, 1983, in the amount of .7 cents per Mcf. Elzie Neeley did not file an application for permission to track this decrease thus resulting in an overcollection from its customers. Elzie Neeley should report to the Commission the amount overcollected from its customers during the period from March 1, 1983, to the date the proposed rates are implemented, along with a plan to refund the same amount to its customers.

(3) Columbia notified Elzie Neeley of an additional wholesale decrease to be effective April 1, 1983, in the amount of 24.9 cents per Mcf. Due to the retroactive nature of this decrease, Elzie Neeley should report to the Commission any excess revenues collected during the period from April 1, 1983, to the date the proposed rates are implemented, along with a plan to refund any excess collections to its customers.

(4) Elzie Neeley requested an effective date of May 1, 1983, for the proposed rates. The effective date should be April 1, 1983, the same as the effective date of the most recent wholesale decrease.

(5) Elzie Neeley's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8546 dated November 23, 1982, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after April 1, 1983.

IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after April 1, 1983.

IT IS FURTHER ORDERED that, for the purpose of the future application of the purchased gas adjustment clause of Elzie Neeley, the base rate for purchased gas shall be:

Commodity

Columbia Gas of Kentucky, Inc. \$5.760 per Mcf

IT IS FURTHER ORDERED that within 60 days of the date of this Order Elzie Neeley shall report to the Commission any excess revenues collected during the period from March 1, 1983, to the date the proposed rates are implemented, along with a plan to refund any excess collections.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Elzie Neeley shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 26th day of April, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 8546-D DATED APRIL 26, 1983

The following rates and charges are prescribed for the customers in the area served by Elzie Neeley Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES: Monthly

First 1 Mcf
Over 1 Mcf

\$8.42 Minimum Bill
7.43 Per Mcf